

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIAOrder Instituting Rulemaking to Address Utility
Cost and Revenue Issues Associated with
Greenhouse Gas Emissions.Rulemaking 11-03-012
(Filed March 24, 2011)**DECISION AWARDING INTERVENOR COMPENSATION TO GREEN
POWER INSTITUTE FOR SUBSTANTIAL CONTRIBUTION TO
DECISIONS (D.) 12-12-033, D.14-05-021, and D.14-12-083**

Intervenor: Green Power Institute	For contribution to Decision (D.) 12-12-033, D.14-05-021, and D.14-12-083.
Claimed: \$ 116,471	Awarded: \$92,289.71 (~20.76% reduction)
Assigned Commissioner: Carla J. Peterman	Assigned ALJs: Melissa Semcer, Julie M. Halligan

PART I: PROCEDURAL ISSUES

A. Brief description of Decisions:	Decision D.12-12-033 adopts cap-and-trade greenhouse-gas allowance revenue allocation methodology for the IOUs. Decision D.14-05-021 authorizes utilities to sell Low Carbon Fuel Standard (LCFS) credits. Decision D.14-12-083 adopts LCFS revenue allocation methodology for the utilities.
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B. Intervenor must satisfy intervenor compensation requirements set forth in Pub. Util. Code §§ 1801-1812:

	Intervenor	CPUC Verified
Timely filing of notice of intent to claim compensation (NOI) (§ 1804(a)):		
1. Date of Prehearing Conference (PHC):	June 2, 2011	Verified.
2. Other specified date for NOI:		
3. Date NOI filed:	July 1, 2011	Verified.
4. Was the NOI timely filed?	Yes, Green Power Institute timely filed the notice of intent to claim compensation.	

Showing of customer or customer-related status (§ 1802(b)):		
5. Based on ALJ ruling issued in proceeding number:	R.11-03-012	The Ruling in R.11-03-012 incorrectly stated that Green Power Institute demonstrated customer-related status due to a rebuttable presumption of eligibility. The rebuttable presumption standard only applies to findings of significant financial hardship. Green Power Institute has demonstrated its customer related status in other proceedings. <i>See e.g.</i> ALJ Ruling in R.10-12-007 (July 5, 2010).
6. Date of ALJ ruling:	December 1, 2011	July 5, 2011
7. Based on another CPUC determination (specify):		Yes, ALJ Ruling in R.10-12-007.
8. Has the Intervenor demonstrated customer or customer-related status?		Yes, Green Power Institute demonstrated appropriate status as a Category 3 customer.
Showing of “significant financial hardship” (§ 1802(g)):		
9. Based on ALJ ruling issued in proceeding number:	R.11-03-012	Verified.
10. Date of ALJ ruling:	December 1, 2011	Verified.
11. Based on another CPUC determination (specify):		
12. Has the Intervenor demonstrated significant financial hardship?		Yes, Green Power Institute demonstrated significant financial hardship.

Timely request for compensation (§ 1804(c)):		
13. Identify Final Decision:	D.14-12-083	Verified.
14. Date of issuance of Final Order or Decision:	December 23, 2014	Verified.
15. File date of compensation request:	January 6, 2015	Verified.
16. Was the request for compensation timely?	Yes, Green Power Institute timely filed the request for compensation.	

PART II: SUBSTANTIAL CONTRIBUTION**A. Did the Intervenor substantially contribute to the final decision (see § 1802(i), § 1803(a), and D.98-04-059).**

Intervenor's Claimed Contribution(s)	Specific References to Intervenor's Claimed Contribution(s)	CPUC Discussion
D.12-12-033, Decision Adopting Cap-and-Trade GHG Allowance Revenue Allocation Methodology	(Please note that Attachment 2 includes a list of GPI Pleadings relevant to this Claim.)	Verified.
1. Provided Proposal for Use of Cap-and-Trade Funds <p>The GPI was one of the parties that produced proposals for the use of the funds to be derived from the allocation of greenhouse-gas emissions allowances. In creating the cap-and-trade program, the ARB authorized three uses for the funds, energy efficiency, clean energy (renewables), and rebates to customers. Our proposal was focused on the clean energy option, and argued for funds for renewable-energy projects that fall through the cracks of existing programs. The GPI proposal was the strongest proposal placed into the record for the use of a portion of the funds for renewables, and made a clear Substantial</p>	<p>Decision</p> <p>Parties submitted 12 final proposals. Some of the proposals represented refinements of opening proposals [reference includes GPI], and others were new proposals from parties that did not submit opening proposals. [Decision D.12-12-033, pg. 9.]</p> <p>Parties initially submitted a wide variety of proposals setting forth various options the Commission could consider in determining how to allocate GHG allowance auction revenue. However, upon passage of SB 1018, several parties provided revised proposals to comport with §748.5 [including GPI]. [Decision D.12-12-033, pg. 29.]</p> <p>Pleadings</p> <p>Parties participating in this proceeding were invited to make proposals for all or part of the funds that will become available from the auctioning of the utility-allocated allowances. The three</p>	Verified.

<p>Contribution to the record of the proceeding.</p>	<p>broad categories of uses for the funds that have been identified by this Commission and by the ARB are energy efficiency, renewable energy, and ratepayer bill relief. The GPI's Proposal is focused on that portion of the funds that will be devoted to the promotion of renewable energy production. [GPI Revised Proposal, 1/6/12, pg. 2. See pgs. 1-15 for full proposal.]</p> <p>The very substantial amount of funds that will be generated by the auctioning of the greenhouse-gas emissions allowances allocated to the IOUs should be allocated among the three broad use categories that have already been identified: energy efficiency, renewable energy, and customer bill relief. Efficiency and renewables are already being supported by existing programs, both of which are key components of the ARB's roadmap for the implementation of AB 32. Consistent with our suggested new Policy Objective no. 8, we believe that the amount of the funds from the auction proceeds allocated to efficiency and renewables should be based in part on whether the existing programs are already achieving their objectives without the need for additional assistance. Our proposal is focused on the renewables category of use for the auction funds, but we believe that the same approach can be tailored to the efficiency category as well. The balance of the funds not allocated to efficiency or renewables would be allocated to the category of customer bill relief. [GPI Revised Proposal, 1/6/12, pgs. 9-10.]</p> <p>There are two major approaches available for supporting renewables with public funds, variations of both of which have been used successfully in</p>	
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	California in the past: (1) Support for the capital cost of the installations (for example tax credits, capital buy downs, loan guarantees, revolving loan funds); (2) Support for the operations of the installations (for example production credits, targeted support for biomass fuels). [GPI Revised Proposal, 1/6/12, pg. 13.]	
<p>2. Identification of Policy Objectives</p> <p>The GPI made a substantial contribution to the Decision in the area of identifying policy objectives for the use of the allowance funds both by demonstrating how our own proposal for the use of the funds fit with the seven policy objectives that had been provided in the Scoping Memo, and by proposing an eighth policy objective for consideration, which was cited in the Decision.</p>	<p>Decision</p> <p>GPI proposes that we adopt a policy objective to direct sufficient revenue toward energy efficiency and the Renewables Portfolio Standard program to assist in achieving programmatic targets. [Decision D.12-12-033, pg. 55.]</p> <p>While it is intuitively appealing to use GHG allowance revenues to invest in certain technologies or carbon mitigation activities, such as energy efficiency or clean energy, we do not feel that it is important to earmark allowance revenues solely as a means of correcting for any existing market failures. [Decision D.12-12-033, pg. 69.]</p> <p>Pleadings</p> <p>We would like to add one additional policy objective to the seven that are in the Scoping Memo and Ruling. ... 8) Until mandates in key AB 32 support programs, like RPS and efficiency, are met, a generous portion of the allowance auction revenues should be devoted to promoting the attainment of those mandates. [GPI Proposal, 10/5/11, pg. 3, repeated in GPI Revised Proposal, 1/6/12, pg. 3.]</p>	Verified.
<p>3. Authority for Funding of Clean Energy Programs</p> <p>The GPI made a Substantial Contribution to the Decision by providing a clear basis for a</p>	<p>Decision</p> <p>Section 748.5(c), excerpted below, provides that the Commission may allocate up to 15% of the GHG allowance revenues for clean energy and</p>	Verified.

<p>showing that the statute provides for the use of up to 15 percent of the allowance funds for clean energy and efficiency. Although the Decision elects not to allocate any of the funds to clean energy or efficiency, it does make the finding that the statutory basis to allocate to clean energy and energy efficiency is clear.</p>	<p>energy efficiency projects. Under the provisions of § 748.5(c), only programs established pursuant to statute that are administered by the utilities and that are not otherwise funded by another funding source may receive funding from allowance revenues. [Decision D.12-12-033, pgs. 92-93.]</p> <p>Finally, GPI and IEP suggest that funds be allocated to a particular biomass program that was the subject of an assembly bill under consideration. [Decision D.12-12-033, pg. 95.]</p> <p>Pleadings</p> <p>Previous Decisions of this Commission, as well as rules enacted by the ARB in their role as the principal regulatory agency in charge of the implementation of AB 32, specify three broad categories of appropriate uses for the funds generated by sales of the allowances and LCFS credits that are allocated to the IOUs, energy efficiency, renewable energy, bill relief for electric customers. [GPI Proposal, 10/5/11, pg. 3, repeated in GPI Revised Proposal, 1/6/12, pg. 4.]</p> <p>New §748.5(c) of the Public Utilities Code begins: “The commission may allocate up to 15 percent of the revenues ... for clean energy and energy efficiency projects.” The GPI urges the Commission to set aside the full 15 percent of the allowance proceeds that is allowed under the statute for these kinds of projects. [GPI Comments, 8/1/12, pg. 2.]</p> <p>The plain language of SB 1018 provides authorization for the Commission to allocate up to 15 percent of the funds to qualifying clean energy and energy efficiency projects. It does not require, either implicitly or explicitly, further statutory authority before these kinds of programs can be authorized. [GPI</p>	
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	Reply Comments, 8/13/12, pg. 2.]	
<p>4. Investment in Clean Energy Programs</p> <p>The GPI provided a strong and cogent case for the funding of clean energy projects as part of the use of the greenhouse-gas allowance funds. While the Commission did not adopt our recommendation on this issue, there can be no doubt that we enriched the record upon which this determination was made. Moreover, the Decision does provide a route for the future allocation of some of the allowance funds to clean energy and efficiency. Our work on this issue represents a Substantial Contribution to the Decision.</p>	<p>Decision</p> <p>Many parties in this proceeding, including the Joint Parties, SEIA, DRA, GPI and others, argue that investment in AB 32 programs, such as energy efficiency or clean energy, is vital to the efficacy of the Cap-and-Trade program, it supports customers in a more targeted manner than the diffuse return of GHG allowance revenues to all customers (as proposed initially by the Joint Utilities), and it allows for maintenance of some, if not all, of the carbon price signal in rates. In addition, § 748.5(c) permits the Commission to allocate up to 15% of GHG allowance revenues toward such programs, although allocation of revenues is not required. [Decision D.12-12-033, pg. 132.]</p> <p>While such arguments have merit, we are not persuaded that it is appropriate to direct GHG allowance revenues towards energy efficiency or clean energy programs at this time. [Decision D.12-12-033, pg. 133.]</p> <p>Furthermore, nothing in this decision precludes us from evaluating specific proposals within the appropriate proceeding and deciding in that proceeding that funding would best come from GHG allowance revenues. Parties are therefore encouraged to bring such proposals and requests for increased funding for energy efficiency and clean energy to the appropriate proceedings where they can be evaluated against all other proposals and within the confines of the greater budgets of those programs. [Decision D.12-12-033, pg. 134.]</p> <p>Pleadings</p> <p>In the opinion of the GPI, the</p>	<p>Verified.</p>

	<p>presentation in the OIR tends to pit funding for implementing measures, categories one and two, against funding for bill relief, category three. In fact, if done effectively, funding for some of the implementing measures necessary to achieve the law's objectives will lower the cost of compliance for electricity consumers versus having to comply with the law without access to these funds, and this contribution to bill relief should also be considered as funds are being allocated on behalf of the interests of the ratepayer. [GPI PHC Statement, 4/21/11, pg. 2, repeated in GPI Proposal, 10/5/11, pg. 4, and GPI Revised Proposal, pg. 5.]</p> <p>Funds that will be derived from the auction of greenhouse-gas emissions allowances that are allocated to the utilities represent a unique opportunity to jumpstart California's underperforming RPS program, which is a key component of the state's plan to comply with AB 32. A healthy portion of the funds should be allocated to this application in order to get the program on-track. Because the funds will be available in a declining pulse over a relatively short period of time, it is important to invest them in infrastructure that will last well beyond the lifetime of the availability of the funds. [GPI Proposal, 10/5/11, pg. 8, repeated in GPI Comments, 1/31/12, pg. 12.]</p> <p>New §748.5(c) of the Public Utilities Code begins: "The commission may allocate up to 15 percent of the revenues ... for clean energy and energy efficiency projects." The GPI urges the Commission to set aside the full 15 percent of the allowance proceeds that is allowed under the statute for these kinds of projects. AB 32 sets ambitious</p>	
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	<p>emissions targets for greenhouse gases, and the state's long-term goal for greenhouse-gas emissions reduction (90% by 2050) is extremely ambitious. Reaching these targets will require significant investments in clean energy and energy efficiency. There are more than ample opportunities for using these funds effectively on behalf of ratepayers in these areas, and these kinds of investments will pay recurring future returns to ratepayers. A full fifteen percent of the funds should be allocated to clean energy and energy-efficiency projects, consistent with §748.5(c). [GPI Comments, 8/1/12, pg. 2.]</p> <p>We support the creation of a program for biomass-fuel incentives to increase the biomass industry's collection of fuels that are both expensive to produce, but provide particularly valuable benefits. The public-purpose rationale for providing such incentives is to ensure that the environmental benefits associated with their use (reduced greenhouse-gas emissions, improved air quality, fire-resilient forests) continue to be provided to the state's citizenry. [GPI Comments, 8/1/12, pg. 5.]</p>	
D.14-05-021, Decision Authorizing Utilities to Sell LCFS Credits		
<p>5. Authority to Sell LCFS Credits</p> <p>The utilities initially suggested that D.12-04-046 provides the authority that is needed for them to sell LCFS credits. GPI pointed out that D.12-04-046 is primarily concerned with procurement, and the sale of the LCFS Credits is fundamentally different than</p>	<p>Decision</p> <p>For this reason, it would not be appropriate to include the sale of LCFS credits in the utilities' bundled procurement plans because, as argued by GPI, the sale of LCFS credits is not inherently a procurement activity. [Decision D.14-05-021, pg. 10.]</p> <p>Pleadings</p> <p>In Track 1, the program funds (proceeds</p>	Verified.

<p>procurement. The Decision adopts our position, and credits our argument.</p>	<p>from the auction of the allowances), in effect, will be handed to the utilities through no effort or discretion on their part, and the Commission's job is limited to overseeing the program for the use of the funds. By contrast, the creation and liquidation of the LCFS credits that are under consideration in Track 2 of this Proceeding are totally under the control of the utilities and these are matters that will require Commission oversight, in addition to the Commission's responsibilities in designing and implementing a program for the use of the funds. [GPI Comments, 6/12/12, pg. 1.]</p> <p>The amended Scoping Memo for Track 2 that is included in the November 25 Ruling adds a new topic to the mix, which concerns the regulatory authority for the sale of the LCFS credits that are earned by the utilities, in order to produce the funds that are the subject of the various Track 2 proposals. [GPI Comments, 12/18/13, pgs. 1-2; pgs. 1-4 of the Comments present our detailed case that D.12-04-046 does not provide the needed authority for the sale of LCFS Credits.]</p>	
<p>6. Requirements and Restrictions on the Sale of LCFS Credits</p> <p>The GPI stressed that due to the new and emerging nature of the market for LCFS Credits, and the fact that there will be a limited number of entities buying the Credits (refiners, blenders), it will be important for the Commission to provide strong market oversight of the nascent market. The Decision agrees</p>	<p>Decision</p> <p>The Commission agrees with the majority of parties that, given the nascent nature of the LCFS market, it is prudent to minimize restrictions on the sale of LCFS credits in an effort to maximize the value of LCFS credits for utility ratepayers. However, as raised by GPI and ORA, it is important that appropriate safeguards be put in place because the LCFS market that is not very well developed. [Decision D.14-05-021, pg. 12.]</p> <p>Pleadings</p>	<p>Verified.</p>

<p>with our position, and credits our argument.</p>	<p>Once the utilities begin to accumulate LCFS credits, the next threshold issue that the Commission needs to address is: What rules will be enacted to regulate the liquidation of the Credits they accumulate? ... In what ways, and under what conditions, should utilities either hedge or speculate in the LCFS Credit markets? What risks and rewards will guide their decisions? [GPI Comments, 6/12/12, pg. 3.]</p> <p>The GPI recommends that the Commission limit the use of speculative instruments during the establishment of this new policy-driven market. We made a similar recommendation to the Commission in the Long-Term Procurement Proceeding, R.10-05-006, concerning the use of speculative instruments for the procurement of greenhouse-gas products (emissions allowances and offsets) during the establishment of the cap-and-trade program. Our recommendation in that Proceeding was adopted in D.12-04-046, and our recommendation in this Proceeding should be adopted as well. [GPI Reply Comments, 7/10/12, pgs. 2-3.]</p>	
<p>D.14-12-083, Decision Adopting LCFS Revenue Allocation Methodology</p>		
<p>7. Provided Proposal for Use of LCFS Funds</p> <p>The GPI was one of the several parties that produced detailed proposals for the use of the funds to be derived from the LCFS Credits that the utilities will earn for sales of electricity that is used for powering vehicles. In creating the low-carbon fuel standard program, the ARB specified that the</p>	<p>Decision</p> <p>On February 8, 2012, the Administrative Law Judges (ALJs) in this proceeding issued a ruling requesting proposals for the use of revenues from the sale of LCFS credits. ... On March 30, 2012, thirteen parties [including GPI] submitted nine proposals for revenue return options to be discussed at a Commission workshop on April 18, 2012. [Decision D.14-12-083, pg. 4.]</p>	<p>Verified.</p>

<p>funds were to be used on behalf of alternative-fueled vehicle drivers, and in promoting the expansion of the electric vehicle market. Our proposal was focused on providing incentives for the purchase of electric vehicles, and on developing mechanisms to provide ancillary services to the grid in the course of charging electric vehicles. The GPI proposal clearly enriched the record of the proceeding, and thereby made a Substantial Contribution to the Decision.</p>	<p>On November 25, 2013, the Assigned Commissioner and ALJ issued a revised scoping memo inviting parties to submit updated proposals on January 8, 2014; ... PG&E, SCE, SDG&E jointly with SoCalGas, and GPI filed updated proposals. [Decision D.14-12-083, pg. 5.]</p> <p>Pleadings</p> <p>Track 1 of this Proceeding was concerned with the use of funds that will be generated by the auction of the free greenhouse-gas emissions allowances allocated to the IOUs in connection with the cap-and-trade program. The amount of funds that will be generated from the allowances is very great, and the ARB's specifications for the use of the allowance funds are quite broad. In contrast, the allocation of LCFS Credits to the IOUs is expected to be modest, particularly in the near term, and the specifications for the use of the funds are quite a bit more limiting as well. Thus, the program for the use of the funds from the LCFS Credit sales should be quite different than the program for the use of the funds from the greenhouse-gas-emissions allowances. [GPI Proposal, 3/30/12, pgs. 1-2.]</p> <p>The GPI's proposal, detailed below, is designed to promote both the ARB's and this Commission's objectives for the use of the LCFS funds. Our program is designed to benefit PEV drivers, incentivize growth in the PEV market, and provide a variety of operational benefits to the electric grid. Our proposed program will be simple to administer, and will put the proceeds from the LCFS Credits directly into the PEV marketplace in ways that will expand the market while also taking</p>	
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	<p>care of the electric grid that will power it. [GPI Revised Proposal, 1/8/14, pgs.6-7. Pages 6-11 present our revised proposal in detail.]</p> <p>The GPI proposes a modest initial program for the use of LCFS Credit funds, which can grow in the future as the nascent PEV market grows. We favor a three-pronged approach, in which some of the funds are used to help defray the costs of capital-expense items, some for education and outreach, and some for research and development directed at developing smart-charging options for PEVs that can deliver advanced, fossil-fuel-free, grid-operating services. [GPI Proposal, 3/30/12, pg. 7.]</p>	
<p>8. Reduction in EV Rates</p> <p>The GPI argued strongly against using the LCFS funds for purposes of reducing electric-vehicle tariffs. We pointed out that the ongoing alternative-fueled vehicle proceeding was the place to deal with EV tariffs, and that in any case this would not be an effective way to promote EV expansion, as the general public already has a strong notion that the energy for EVs is much cheaper than the energy for convention automobiles. The Decision agrees with our position, and does not include reductions in EV tariffs among the options to which the utilities can apply the LCFS funds.</p>	<p>Decision</p> <p>GPI adds that the IOUs do not have a good estimate of the population of current PEV users in their service territories and suggests that proper tariffs, as addressed in R.09-08-009, and not LCFS revenue, should be used to incentivize off-peak charging. [Decision D.14-12-083, pg. 11.]</p> <p>Pleadings</p> <p>Although special EV tariffs are new and still being developed in California, we believe that there is already a strong perception among the public that the fuel (electricity), or operating cost (¢/mile), of electric vehicles is much less than that of gasoline-powered cars. We also believe that this is a fairly non-specific perception, that is, while most people believe that fueling EVs is significantly cheaper than fueling gasoline cars, they do not have a strong notion as to how much cheaper it is, nor do they have much of an understanding</p>	Verified.

	<p>of how different tariff structures, for example block rates vs. time-of-day rates, affect the cost of charging. Therefore, it is our opinion that whatever small dent the LCFS funds might make in the EV tariff, it will not act as a significant further inducement for drivers to purchase PEVs. Thus, in our opinion, this application for the funds would not be effective in promoting PEV deployment. In other words, drivers already believe that electric cars have significantly cheaper energy costs than gasoline cars. Marginally cheaper-still is unlikely to motivate very many additional buyers into the market. [GPI Revised Proposal, 1/8/14, pgs. 4-5.]</p> <p>DRA and other parties favor using the LCFS Credit funds to provide incentives for off-peak charging of EVs. While off-peak charging is undoubtedly something that should be promoted for EVs, we do not think that this program needs to be tapped for that purpose. As mentioned previously, metering and tariffs for EVs are being addressed in R.09-08-009, and in our opinion, properly-designed tariffs are all that is needed in order to provide the incentive to charge during off-peak hours. [GPI Comments, 6/12/12, pg. 5.]</p>	
<p>9. Subsidies for Infrastructure and PEV Supply Equipment</p> <p>The GPI argued against using the LCFS funds for purposes of investing in new utility electrical-distribution infrastructure. The Decision agrees with our position, and does not include investments in utility infrastructure among the</p>	<p>Decision</p> <p>GPI supports a rebate for interconnection and electrical upgrades of charging equipment, arguing that this rebate proposal would be more consistent with the intent of the LCFS credit program to expand the PEV market. GPI also offers an alternative rebate proposal in which the majority of LCFS revenues would be used to help defray the costs of capital-expense</p>	Verified.

<p>options to which the utilities can apply the LCFS funds.</p> <p>The GPI proposed using some of the funds earmarked for EV purchase incentives early in the LCFS funds program for providing incentives for EV customer acquisition of charging equipment. Our proposal enlarged the menu of options that the Commission considered in devising the program embodied in the Decision, and thereby enriched the record of the proceeding. This represents a Substantial Contribution to the Decision.</p>	<p>items, some funds would be used to facilitate the development of smart-charging capabilities for PEVs, and some would be used for education and outreach. Instead of providing rebates for the purchase of PEVs, GPI's proposal would reduce the cost of the electrical hookups for PEVs. Charge Point supports GPI's proposal, reiterating that LCFS revenues should be used for direct rebates to customers purchasing smart charging equipment, rather than as small payments or bill credits. [Decision D.14-12-083, pgs. 14-15.]</p> <p>Several parties recommend use of LCFS revenue to reduce infrastructure costs. ChargePoint and GPI argue that LCFS revenue should be used to subsidize the installation of smart charging infrastructure. [Decision D.14-12-083, pg. 29.]</p> <p>Pleadings</p> <p>It is highly likely that the early deployment of PEVs in California will be very non-uniform, with pockets of significant market penetration likely to show up fairly early in each of the IOU's service territories. Nevertheless, it is unclear whether these early pockets of PEV concentration will require distribution-system upgrades in order to accommodate the presence of the PEVs. For example, it is likely that a significant fraction of the early adopters will also have PV systems, and will charge their vehicles behind the meter. In addition, overnight charging on residential circuits will not affect peak loads, and so may not require distribution-system upgrades. In theory, applying some of the funds from the LCFS Credits to distribution system upgrades needed to accommodate the PEVs is a reasonable use of the funds.</p>	
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	<p>However, the need for such upgrades in the near to middle term is difficult to gauge, and there is always a tendency for the utilities to throw in to the mix as many distribution-system upgrades as possible, regardless of there is any real connection between the need for the upgrades and PEV deployment. [GPI Revised Proposal, 1/8/14, pg. 5.]</p> <p>There are many and varied approaches to charging PEVs, some of which involve new entities, like electric vehicle service providers (EVSPs). At this point in time it is too early to predict how the emerging market for PEV charging will evolve. The GPI believes that using the LCFS Credit proceeds to fund infrastructure investments needed by PEVs is a worthy use for the funds. However, we do not think that these funds should be used in ways that might sway how the vehicle charging market develops, which is to say, in ways that would favor one kind of charging service or application over others. [GPI Proposal, 3/30/12, pgs. 4-5, repeated in GPI Revised Proposal, 1/8/14, pgs. 5-6.]</p>	
<p>10. Annual On-Bill Rebate</p> <p>Although PG&E strongly supported using the LCFS funds for providing annual on-bill rebates, the GPI provided strong arguments pointing out the weaknesses of the annual on-bill rebate option. The Decision includes annual on-bill rebates for EV users as one of the two options that utilities can offer to their customers, funded by the LCFS funds. While the Decision chooses to offer maximum flexibility to</p>	<p>Decision</p> <p>GPI also expresses concern that the marginal savings of an annual rebate might be insufficient to influence a consumer's decision to purchase of a PEV. [Decision D.14-12-083, pg. 16.]</p> <p>GPI contends that battery size is a poor indicator of the amount of electrified driving. GPI believes that distributing all of the funds to drivers that self-identify fails to achieve the overall objective of the LCFS program, which is to increase the market for electric transportation. They are also concerned that (1) "the payments available to</p>	<p>Verified.</p>

<p>the utilities in designing their programs, including offering the on-bill rebate as one of the options, it does acknowledge the pitfalls of this option, and charges the utilities with determining how to effectively work around these pitfalls, should they choose to offer this option. The GPI enriched the record on which the Commission based its decision to include the on-bill rebate option by providing sound analysis of the risks and pitfalls of this option, and thereby made a Substantial Contribution to the Decision.</p>	<p>registered PEV owners are not correlated to their actual usage of electricity for transportation;” and (2) “there is no mechanism to determine when a PEV owner either sells or junks his or her vehicle.” [Decision D.14-12-083, pgs. 17-18.]</p> <p>Pleadings</p> <p>The way this section is written up in the Staff Guidance Document, it appears to be oriented towards providing annual or monthly rebates to drivers as line-items on their electricity bills. While we recognize that providing direct rebates to PEV drivers has several advantages over using the funds to reduce the EV tariff, nevertheless we do not believe that this particular kind of incentive is likely to make much of a difference as to whether drivers purchase PEVs. PEVs are already known to save substantially on operating costs, and a little bit greater savings probably would not be enough to attract new buyers. [GPI Proposal, 3/30/12, pg. 5, repeated in GPI Revised Proposal, 1/8/14, pg. 6.]</p> <p>Another problem is that there is no mechanism to determine when a PEV owner either sells or junks his or her vehicle. In effect, this makes this proposal effectively a capital-payment per vehicle that is paid on an extended schedule, rather than on a lump-sum basis. [GPI Comments, 1/22/14, pg. 2.]</p> <p>There are other problems with PG&E’s proposal. One problem is that the payments available to registered PEV owners are not correlated to their actual usage of electricity for transportation. [GPI Comments, 1/22/14, pg. 2.]</p> <p>We also agree with So. Cal. Gas / SDG&E’s criticism of the PG&E Revised Proposal for its poor correlation of amount of electrified driving with</p>	
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	<p>vehicle battery size. Although the objective of the PG&E proposal is to rebate PEV drivers for their use of electricity for transportation, the amount of rebate is not based on the amount of electricity they use in their vehicles. Instead, it is based on the battery size of their vehicle, without regard to the amount of use of the vehicle under electrical power. Indeed, lacking a mechanism to determine whether the rebate recipient continues to own and/or operate the vehicle, the system could be easily gamed. [GPI Reply Comments, 1/29/14, pg. 2.]</p> <p>In addition, while the PD allows the IOUs to determine how they will correlate PEV ownership with actual vehicle use, or more specifically vehicle use powered by electrical energy, we continue to believe that the alternatives already proposed by the utilities, for example to use battery size as an indicator of annual electrical energy use by the vehicle (PG&E), are extremely weak. We hope that the utilities will put real effort into developing this crucial aspect of their programs. [GPI Reply Comments, 12/8/14, pg. 2.]</p>	
<p>11. Up-Front Purchase Rebate</p> <p>The GPI consistently supported using some of the LCFS funds for purposes of providing purchase incentives for electric and alternatively-fueled vehicles throughout the course of track 2 of the proceeding. We both supported using the funds for providing rebates for the purchase of vehicles, and we introduced a proposal into the record to use some of the</p>	<p>Decision</p> <p>GPI favors the up-front capital approach, but expresses concern that there are opportunities to game the system by annually “trading ownership papers” to repeatedly generate LCFS rebates for a given vehicle. [Decision D.14-12-083, pg. 20.]</p> <p>Pleadings</p> <p>One of the significant market barriers to the purchase of new PEVs is their cost. PEVs are generally more expensive than comparable conventional cars, and this</p>	Verified.

<p>funds for providing rebates for purchases of advanced charging equipment. The GPI made the provision of capital incentives for EVs the centerpiece of our proposal in this track of the proceeding. The Decision cites our support for this option, and includes up-front purchase rebates for EVs as one of the two options that utilities can offer to their customers, funded by the LCFS funds.</p>	<p>factor does indeed turn potential buyers away. If the Commission should decide to use LCFS Credit funds for direct rebates to PEV drivers, it should consider offering significant one-time capital rebates on purchases of the vehicles, rather than small, on-going bill credits over the operating lifetime of the vehicles. [GPI Proposal, 3/30/12, pg. 5, repeated in GPI Revised Proposal, 1/8/14, pg. 6.]</p> <p>Rather than providing rebates for the purchase of PEVs from the LCFS Credit funds, it might be useful to target the rebates at reducing the cost of the electrical hookups, which, depending on the voltage desired and a variety of other factors, can cost in the thousands of dollars. Not only are these costs more closely linked to the use of electricity than the costs of the vehicles themselves, but subsidizing them could be a means to promote the installation of smarter charging equipment, which could deliver substantial benefits to the utilities in the long run in terms of grid operability (see below, Support the Development of Smart Charging). It is worth noting that rebates for charging equipment could be made available to all manner of charging arrangements and configurations, thus this kind of incentive could be offered without favoring any particular kind of charging. [GPI Proposal, 3/30/12, pgs. 5-6.]</p> <p>The proposals for the use of the LCFS Credit funds can be divided into two functional groups: proposals favoring distributing the funds as bill reductions, and proposals favoring distributing the funds in the form of one-time, up-front rebates or credits associated with capital purchases. The GPI's Proposal is in the second group, that is, to use the funds for purchase incentives, rather than for</p>	
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	<p>the making of periodic payments. The automobile companies and electric vehicle service providers, as well as other parties, also support this approach, and we continue to do so. We believe that it is more consistent with the intent of the utility LCFS-Credit program to expand the EV market, and more motivational for consumers. [GPI Reply Comments, 7/10/12, pg. 3.]</p> <p>We are, however, concerned about one aspect in particular of the SCE proposal. With SCE's proposal, a one-time, cash-equivalent payment is made for each purchase of a qualifying vehicle. This presents a ready avenue to gaming the system. The problem is that annual trading of ownership papers could functionally turn this intended one-time payment into an annual payment for each vehicle, which would quickly deplete the fund and diminish its impact on the marketplace. [GPI Comments, 1/22/14, pg. 3.]</p>	
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B. Duplication of Effort (§ 1801.3(f) and § 1802.5):

	Intervenor's Assertion	CPUC Discussion
a. Was the Office of Ratepayer Advocates (ORA) a party to the proceeding?¹	Yes	Verified.
b. Were there other parties to the proceeding with positions similar to yours?	Yes	Verified.
c. If so, provide name of other parties: DRA, TURN, CEERT, CA Farm Bureau, Charge Point, NRDC, Waste Management, Sierra Club, Clean Coalition, SEIA, and the three large electric IOUs.		Verified.
d. Intervenor's claim of non-duplication: This proceeding covers a wide variety of topics related to the use of funds related to two major		Verified.

¹ The Division of Ratepayer Advocates was renamed the Office of Ratepayer Advocates effective September 26, 2013, pursuant to Senate Bill No. 96 (Budget Act of 2013: public resources), which was approved by the Governor on September 26, 2013.

<p>components of the state's SB 32 compliance program. The Green Power Institute has focused its participation in this proceeding in our primary areas of interest, the use of cap-and-trade funds for the expanded development of renewable energy, and the use of LCFS credit funds to support the development of the alternative-fueled vehicles market. Green Power coordinated its efforts in this proceeding with other parties in order to avoid duplication of effort, and added significantly to the outcome of the Commission's deliberations through our own unique perspective. Some amount of duplication has occurred in this proceeding on all sides of contentious issues, but Green Power avoided duplication to the extent possible, and tried to minimize it where it was unavoidable.</p>	
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PART III: REASONABLENESS OF REQUESTED COMPENSATION

A. General Claim of Reasonableness (§ 1801 and § 1806):

a. Intervenor's claim of cost reasonableness:	CPUC Discussion
<p>The GPI is providing, in Attachment 2, a listing of all of the pleadings we provided in this Proceeding, R.11-03-012, that are relevant to matters covered by this Claim, and a detailed breakdown of GPI staff time spent for work performed that was directly related to our substantial contributions to Decisions D.12-12-033, D.14-05-021, and D.14-12-083.</p>	<p>Verified, <i>but see</i> CPUC Disallowances and Adjustments, below.</p>
<p>The hours claimed herein in support of Decisions D.12-12-033, D.14-05-021, and D.14-12-083 are reasonable given the scope of the Proceeding, and the strong participation by the GPI. GPI staff maintained detailed contemporaneous time records indicating the number of hours devoted to the matters settled by these Decisions in this case. In preparing Attachment 2, Dr. Morris reviewed all of the recorded hours devoted to this proceeding, and included only those that were reasonable and contributory to the underlying tasks. As a result, the GPI submits that all of the hours included in the attachment are reasonable, and should be compensated in full.</p>	
<p>Dr. Morris is a renewable energy analyst and consultant with more than thirty years of diversified experience and accomplishments in the energy and environmental fields. He is a nationally recognized expert on biomass and renewable energy, climate change and greenhouse-gas emissions analysis, integrated resources planning, and analysis of the environmental impacts of electric power generation. Dr. Morris holds a BA in Natural Science from the University of Pennsylvania, an MSc in Biochemistry from the University of Toronto, and a PhD in Energy and Resources from the University of California, Berkeley.</p>	
<p>Dr. Morris has been actively involved in electric utility restructuring in California throughout the past two decades. He served as editor and facilitator for the Renewables Working Group to the California Public Utilities Commission in 1996 during the original restructuring effort,</p>	

<p>consultant to the CEC Renewables Program Committee, consultant to the Governor's Office of Planning and Research on renewable energy policy during the energy crisis years, and has provided expert testimony in a variety of regulatory and legislative proceedings, as well as in civil litigation.</p> <p>Decision D.98-04-059 states, on pgs. 33-34, "Participation must be productive in the sense that the costs of participation should bear a reasonable relationship to the benefits realized through such participation. ... At a minimum, when the benefits are intangible, the customer should present information sufficient to justify a Commission finding that the overall benefits of a customer's participation will exceed a customer's costs." This proceeding was concerned with how to use the funds generated from sales of greenhouse-gas allowances allocated to the IOUs, to be used on behalf of their customers, and the generation and use of funds generated from LCFS credits on behalf of alternative-fuel vehicle users. If successful, the efforts that have begun in this proceeding have the potential to save ratepayers millions of dollars annually in terms of reduced costs of compliance with state AB 32 compliance costs, and reduced pollution from fossil-fuel burning power plants and gasoline cars. These cost reductions overwhelm the cost of our participation in this proceeding.</p>													
<p>b. Reasonableness of hours claimed:</p> <p>The GPI made Significant Contributions to Decisions D.12-12-033, D.14-05-021, and D.14-12-083, by participating in working groups, and providing a series of Commission filings on the various topics that were under consideration in the Proceeding, and are covered by this Claim. Attachment 2 provides a detailed breakdown of the hours that were expended in making our Contributions. The hourly rates and costs claimed are reasonable and consistent with awards to other intervenors with comparable experience and expertise. The Commission should grant the GPI's claim in its entirety.</p>	<p>Verified, <i>but see</i> CPUC Disallowances and Adjustments, below.</p>												
<p>c. Allocation of hours by issue:</p> <p>D.12-12-033</p> <table border="0"> <tr> <td>1. Provided Proposal for Use of Cap-and-Trade Funds</td> <td>15%</td> </tr> <tr> <td>2. Identification of Policy Objectives</td> <td>10%</td> </tr> <tr> <td>3. Authority for Funding of Clean Energy Programs</td> <td>5%</td> </tr> <tr> <td>4. Investment in Clean Energy Programs</td> <td>15%</td> </tr> </table> <p>D.14-05-021</p> <table border="0"> <tr> <td>5. Authority to Sell LCFS Credits</td> <td>5%</td> </tr> <tr> <td>6. Requirements and Restrictions on the Sale of LCFS Credits</td> <td>7%</td> </tr> </table>	1. Provided Proposal for Use of Cap-and-Trade Funds	15%	2. Identification of Policy Objectives	10%	3. Authority for Funding of Clean Energy Programs	5%	4. Investment in Clean Energy Programs	15%	5. Authority to Sell LCFS Credits	5%	6. Requirements and Restrictions on the Sale of LCFS Credits	7%	<p>Verified.</p>
1. Provided Proposal for Use of Cap-and-Trade Funds	15%												
2. Identification of Policy Objectives	10%												
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4. Investment in Clean Energy Programs	15%												
5. Authority to Sell LCFS Credits	5%												
6. Requirements and Restrictions on the Sale of LCFS Credits	7%												

D.14-12-083	
7. Provided Proposal for Use of LCFS Funds	10%
8. Reduction in EV Rates	5%
9. Subsidies for Infrastructure and PEV Supply Equipment	8%
10. Annual On-Bill Rebate	10%
11. Up-Front Purchase Rebate	10%

B. Specific Claim:*

CLAIMED						CPUC AWARD		
ATTORNEY, EXPERT, AND ADVOCATE FEES								
Item	Year	Hour s	Rate \$	Basis for Rate*	Total \$	Hours [1]	Rate \$	Total \$
G. Morris	2011	114.0	240	D.11-07-025	27,360	88.50	\$240.00	21,240.00
G. Morris	2012	232.5	245	D.13-05-009	56,963	174.50	\$245.00	42,752.50
G. Morris	2013	27.0	250	2012 w/2%	6,750	17.00	\$250.00 <i>See</i> D.15-03-034	4,250.00
G. Morris	2014	63.5	270	See Comment 1	17,145	58.50	\$270.00 [2]	15,795.00
V. Whiddon	2011	18.0	70	D.13-05-009	1,260	18.00	\$70.00	1,260.00
V. Whiddon	2012	55.0	70	D.13-10-012	3,850	55.00	\$70.00	3,850.00
V. Whiddon	2014	8.5	75	See Comment 2	638	8.50	\$75.00	637.50
Subtotal: \$ 113,966						Subtotal: \$ 89,785.00		
INTERVENOR COMPENSATION CLAIM PREPARATION **								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate	Total \$
G. Morris	2014	18	135	½ rate for 2014	2,430	18	\$135.00	2,430.00
Subtotal: \$ 2,430						Subtotal: \$2,430.00		
COSTS								
#	Item	Detail			Amount	Amount		
	Postage	Postage for serving documents (see Attachment 2 for detail)			75	\$74.71		
TOTAL REQUEST: \$ 116,471						TOTAL AWARD: \$92,289.71		
**We remind all intervenors that Commission staff may audit their records related to the award and that intervenors must make and retain adequate accounting and other documentation to support all claims for								

intervenor compensation. Intervenor's records should identify specific issues for which it seeks compensation, the actual time spent by each employee or consultant, the applicable hourly rates, fees paid to consultants and any other costs for which compensation was claimed. The records pertaining to an award of compensation shall be retained for at least three years from the date of the final decision making the award.

****Travel and Reasonable Claim preparation time typically compensated at ½ of preparer's normal hourly rate**

C. Intervenor's Comments on Part III:

Comment #	Intervenor's Comments
Comment 1	<p>Dr. Morris' approved rate for 2012 is \$245/hr (D.13-05-009). We have previously applied for a 2013 rate for Dr. Morris of \$250, which is the 2012 rate with the 2013 COLA of 2% (Res. ALJ-287), with rounding. Res. ALJ-303 provides for a 2014 COLA of 2.58% over 2013 rates. In addition, we are asking for a 5% step increase for Dr. Morris, resulting in a 2014 rate of \$270/hr ($250 \times 1.0258 \times 1.05$, rounded to the nearest five, per D.13-05-009). Dr. Morris has been actively practicing before the Commission since 2003. This is only the second time that we are requesting a step increase for Dr. Morris. This request is consistent with D.07-01-009 and D.08-04-010.</p> <p>Dr. Morris has been representing the GPI before the Commission since the beginning of 2003, and thus has accumulated more than a decade of experience. He was already a senior-level renewable-energy expert before beginning his work at the Commission. During his almost 12 years of practice before the Commission, Dr. Morris has received one step increase in rate from PUC, in 2009. During his years of practice before the Commission, Dr. Morris has become a respected authority on matters relating to renewable-energy policy issues and greenhouse-gas emissions policy issues, and has made many important contributions to the Commission's deliberations. Dr. Morris deserves a step increase in his approved PUC rate. The requested rate of \$270 for 2014 leaves Dr. Morris well within the range approved for his experience level. We use this rate in this Request for Award.</p>
Comment 2	<p>Ms. Whiddon's approved rate for 2012 is \$70/hr (D.13-10-012). Res. ALJ-287 provides for a 2013 COLA of 2%, and ALJ-303 provides for a 2014 COLA of 2.58%. Applying these factors results in a 2014 rate of \$75/hr ($70 \times 1.02 \times 1.0258$, rounded to the nearest five, per D.13-05-009).</p>

D. CPUC Disallowances and Adjustments:

Item	Reason
[1]	<p>The Commission notes that most of the hours claimed by Green Power Institute related to filings in the proceeding claimed an excessive amount of hours.</p> <p>As an illustrative example, GPI claims 14 hours of work by Morris related to reply comments on amending the scoping memo (filed 01/06/2014). This document totaled 3 pages and contained only 1.5 pages of substantive text. As such, the Commission</p>

	<p>removed 10 hours related to this claim (5 from 2013 and 5 from 2014) as excessive.</p> <p>Additionally, the Commission has removed the following hours, from Morris' claim, for similar excessiveness:</p> <ul style="list-style-type: none"> • 6 hours spent GPI's proposal for use of auction revenue funds (filed 10/05/2011). • 2 hours spent at the November 2, 2011 workshop. GPI claimed 7 hours were spent at the workshop, while 3 other intervenors claimed 5, or less, hours for attendance. • 35 hours spent on GPI's revised proposal for use of auction revenue funds (filed 01/06/12) (17.5 removed from 2011, 17.5 removed from 2012). • 17 hours spent on GPI's comments on revised proposals for use of funds (filed 01/31/2012). • 5 hours spent on GPI's reply comments on proposals for use of funds (filed 02/14/2012). • 10.5 hours spent on GPI's proposal on use of funds from LCFS credits (filed 03/30/2012). • 8 hours spent on GPI's comments on the PD on use of auction funds (filed 12/06/12). • 5 hours spent on GPI's comments on revised scoping memo on LCFS credits (filed 12/18/2013).
[2]	The Commission approves Morris' 2014 rate of \$270, which includes a 5% step-increase, as requested by the intervenor, and applies the 2014 cost-of-living adjustment.

PART IV: OPPOSITIONS AND COMMENTS
*Within 30 days after service of this Claim, Commission Staff
or any other party may file a response to the Claim (see § 1804(c))*

A. Opposition: Did any party oppose the Claim?	No.
B. Comment Period: Was the 30-day comment period waived (see Rule 14.6(c)(6))?	Yes.

FINDINGS OF FACT

1. GPI has made a substantial contribution to Decision (D.) 12-12-033, D.14-05-021, and D.14-12-083.
2. The requested hourly rates for GPI's representatives, as adjusted herein, are comparable to market rates paid to experts and advocates having comparable training and experience and offering similar services.
3. The claimed costs and expenses, as adjusted herein, are reasonable and commensurate with the work performed.
4. The total of reasonable compensation is \$92,289.71.

CONCLUSION OF LAW

1. The Claim, with any adjustment set forth above, satisfies all requirements of Pub. Util. Code §§ 1801-1812.

ORDER

1. Green Power Institute shall be awarded \$92,289.71.
2. Within 30 days of the effective date of this decision, Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company shall pay Green Power Institute their respective shares of the award, based on their California-jurisdictional gas and electric revenues for the 2011 calendar year, to reflect the year in which the proceeding was primarily litigated. Payment of the award shall include compound interest at the rate earned on prime, three-month non-financial commercial paper as reported in Federal Reserve Statistical Release H.15, beginning March 22, 2015, the 75th day after the filing of Green Power Institute's request, and continuing until full payment is made.
3. The comment period for today's decision is waived.

This decision is effective today.

Dated _____, at San Francisco, California.

APPENDIX A**Compensation Decision Summary Information**

Compensation Decision:		Modifies Decision?	No
Contribution Decision(s):	D1212033, D1405021 and D1412083		
Proceeding(s):	R1103012		
Authors:	ALJ Semcer, ALJ Halligan		
Payer(s):	Pacific Gas and Electric Company, Southern California Edison Company, and San Diego Gas & Electric Company		

Intervenor Information

Intervenor	Claim Date	Amount Requested	Amount Awarded	Multiplier?	Reason Change/Disallowance
The Green Power Institute	01/06/2015	\$116,471.00	\$92,289.71	No.	See Part III.D of this decision.

Advocate Information

First Name	Last Name	Type	Intervenor	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
Gregg	Morris	Expert	GPI	\$240.00	2011	\$240.00
Gregg	Morris	Expert	GPI	\$245.00	2012	\$245.00
Gregg	Morris	Expert	GPI	\$250.00	2013	\$250.00
Gregg	Morris	Expert	GPI	\$270.00	2014	\$270.00
Vennessia	Whiddon	Analyst	GPI	\$70.00	2011	\$70.00
Vennessia	Whiddon	Analyst	GPI	\$70.00	2012	\$70.00
Vennessia	Whiddon	Analyst	GPI	\$75.00	2014	\$75.00

(End of Appendix A)